

Prepared Remarks by U.S. Attorney Preet Bharara
WAMC Speech
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It is a pleasure to be here in Albany today.

This is actually my first visit to this city, although I've certainly heard a lot about the place.

I want to thank WAMC and its President and CEO, Alan Chartock, for inviting me to speak here at the Linda.

I also want to thank the good government groups that are co-sponsoring this event, Citizens Union, Common Cause New York, the League of Women Voters and the New York Public Interest Group.

I want to thank you, not only for invitation to speak today, but also for all the work you do, day in and day out, to keep our government and our public officials honest.

It is vitally important work.

You care about an issue that I also feel strongly and deeply about: corruption and honest government. Before I am a prosecutor, I am an American, and a New Yorker. I love New York with all my heart.

But, as most of you know – and as the enthusiastic response to this event in Albany perhaps indicates – what has been going on in New York state government lately is simultaneously heartbreaking, head-scratching, and almost comic.

Albany is unquestionably suffering from a crisis of corruption.

That is why I am here; it is the purpose of my being here:

1. It is to further raise awareness of the problem of corruption.
2. To remind everyone that there are tough cops on the beat, so maybe some people will think twice.
3. To make the case for the importance of good govt.
4. To give encouragement to the whistleblowers and agents of change and discouragement to the array of enablers in this town.
5. And to suggest hope that honest government is not a pipe dream.

And to do all that here, in Albany, where so much of the responsibility lies and where so much of the solution resides.

The simple fact is that the people in the best position to do something about it work in this town.

The general prescription is simple: if you want to prevent corruption, don't enable it. If you want to deter corrupt members, don't become their willing accomplices.

As you all know, just two months ago, both the leader of the New York State Assembly and Majority Leader of the New York State Senate were on trial at the same time on federal corruption charges in a Manhattan courtroom.

And both were convicted by unanimous juries within 13 days of each other.

Two of the most powerful people in New York State – two men who held so much of the people's business in their hands – tried and convicted of federal corruption charges.

Not to mention the 11 state legislators charged and convicted by my Office alone over the last 5 years.

This moment in history calls for something more than just talk. There's been a lot of talk.

It calls for a re-examination of the culture of our public institutions.

It calls for all of us to ask ourselves what we need to do to fix this problem.

When a problem gets this bad, it is not just because of those who committed the crimes.

It is not just the corrupt actors themselves who bear responsibility.

One of the greatest Americans – to my mind perhaps the greatest American of the 20th century – was Teddy Roosevelt. And he began his brilliant career how?

As a New York State Assemblyman, at age 23; the youngest in New York history. He once said this: "No man who is corrupt, no man who condones corruption in others, can possibly do his duty by the community."

And there has been, sadly, a lot of condoning in Albany.

By saying that, I don't mean to paint all of Albany with a broad brush.

There are countless honorable and ethical people serving in elected office in the New York state legislature – people who believe that representing ordinary Americans is a high calling, a calling to improve one's community and one's state and country.

I'm here because I have hope that change is possible. I'm here because there are so many good people, in the legislature and elsewhere.

And I congratulate and commend the legislators who genuinely embrace reform, advocate change, and welcome scrutiny.

By the way, I served as a staff member in the United States Senate for four and half years. I am very proud of the work I did there. And I am very proud of the people I met and the people for whom I served. I have some understanding of what it means to serve in a legislative body and how important that work is, how noble that work can be.

But that said, in recent times, the New York legislature has been marked by regular bribery, rampant kickbacks, and a rancid culture.

Recent events paint a portrait of a show-me-the-money culture, in the worst possible way.

It continues to be a bipartisan affair – Republican and Democrat; in the Assembly and in the Senate; upstate and downstate.

And then of course, there was Sheldon Silver and Dean Skelos: a long-serving assembly speaker and a long-serving senate majority leader.

One a Democrat, the other a Republican, both with a firm grasp and grip on power in the State of New York, a state of almost 20 million people and a multi-billion dollar budget.

Most of you already know a lot about those two cases. So I will just make a few points.

Both of those cases were awful and sad stories. No one says these two men never did anything good for their community or for their state.

But they threw it all away – by forgetting that their jobs were not meant to be vehicles for massive personal profit, by forgetting that their oaths were not meant to be empty promises of honest service.

Along the way, they marginalized their caucuses- who did little to challenge the leadership.

If you attended the trials or reviewed any of the evidence – and I personally attended much of both trials – you would have seen how much of an overwhelming sense of entitlement pervaded both leaders' thinking and conduct – entitlement to money, entitlement to power.

In fact, the defense in Sheldon Silver's case was basically that this was just business as usual in Albany.

As Silver's defense counsel put it, the problem was not with Silver's conduct, but with the prosecutors: the claim was that prosecutors in my office saw everything through dirty windows.

This was just ordinary politics and we were looking at it the wrong way. His lawyer actually said this in his opening statement: "They took conduct which is legal, which is normal, conduct

which allows government to function consistent with the way that our founding fathers of the state of New York wanted it to function, and they say this is illegal.”

As if the founding fathers – presumably Alexander Hamilton – believed in bribery. Well, it turns out it wasn’t the windows that were dirty.

One big problem with this defense is that it maligned every honest fellow legislator.

It lumped Sheldon Silver’s criminal conduct with the honorable service of upstanding elected officials.

And the rest of Albany – those not engaged in criminal quid pro quos – should have been deeply offended by this defense. I’m not sure that they were, but they should have been.

I can’t make this point any better than one of my prosecutors in my office, Andrew Goldstein. During summation, he said: “In response to all that evidence stacked so powerfully against him, the defense has claimed that Sheldon Silver was just practicing politics as usual. To taint your fellow legislators and the democratic process with your own corruption and say that what happened here is politics as usual? Not even close. Not by a mile. This is bribery. This is extortion. This is corruption. The real thing. Don’t let it stand. Don’t let it stand.” And the jury did not.

You saw a similar sense of hubris and entitlement in the Skelos trial.

These cases that we have brought – and other prosecutors’ offices have brought – show in a very real and powerful way, the deep-rooted problem with corruption in Albany.

So what can we do about it? There will always be bad apples.

You will find them not just in a legislature.

You may find them at a company; you may find them at a hedge fund; you may find them at a university; you may find them in a sports league.

The challenge of maintaining an institutional culture is not unique to politics or to political structures.

It is the fundamental conundrum and challenge for all institutions since the beginning of time.

I mentioned Teddy Roosevelt earlier and his talk about condoning corruption.

Let me put it another way. Among the things that I do, I go and talk to students at business school all the time because we do a lot of white collar criminal work and Wall Street prosecution.

And I say, when I talk to these bright, young business students at some of the best business schools in the country, “I am not here in the vein of some type of scared-straight program for white collar folks.”

Although it’s a little bit of that. It is not just to direct my words solely to the two or three of you who, statistically speaking, are likely to commit serious securities fraud in the future – although I know who you are.

Rather, my words are more importantly directed to the ears of the vast majority of people in that room who are good and honest people, trying to do the right thing.

I tell them to speak up if they see misconduct, to promote a culture of ethics and integrity, and have no tolerance for corruption.

That is a challenge for every institution. Every famous case involving an institution that our office or other offices have handled shows the same pattern – people knew.

People knew – before the prosecutors showed up. Before the FBI showed up. People always know.

You think no one knew Sheldon Silver was corrupt before he was put in handcuffs? Not a chance.

Whether you’re talking about Bernard Madoff’s firm, or the Galleon Group, a corrupt hedge fund, or with a scandal like the abuse at Penn State, good people knew, yet did nothing.

A lot of pain and suffering and loss of reputation could have been saved in each and every one of those case – if the good people had just done something, if the good people had just sounded the alarm.

That is also the problem – in my view – with corruption in Albany.

There was a deafening silence of the individuals who, over the time period covered by our investigations, must have seen something, but said nothing – those who learned of suspicious and potentially criminal activity in the halls of the Capital, yet said nothing.

No one made a call. No one blew the whistle. No one sounded the alarm.

That is part of the problem – the utter failure to self-police.

You have an ethics committee not allowed to review ethics bills!

You have a body that doesn’t like something! What is that? It is a public institution. It’s the House of The People.

Now, to be sure, there have been some brave and vocal souls in the legislature who have inveighed against corruption, welcomed scrutiny, and advocated reforms.

But they have been too few.

When the charges were first brought against Sheldon Silver, there was an interesting mix of reactions from the legislature – many seemed to be in denial about the corruption problem; some dismissed the seriousness of the problem; and yet others denigrated the prosecutors in my office who were just doing their jobs.

For some time, even after he was charged in a very detailed 35-page complaint, approved by a federal magistrate judge and establishing probable cause that he had committed federal crimes, there was a movement by your legislators to maintain him in his leadership position in the Assembly.

It was quite an enlightening, it not enlightened moment.

Let me be clear, there is, of course, an absolute presumption of innocence. That is the foundation of our criminal justice system, and it always has to be that way.

But the presumption of innocence and proof beyond reasonable doubt is a criminal standard. It is not the standard for trusted leadership.

I would think – and would hope – the standard to maintain one of the most powerful public positions in our state is something a higher than “I have not **yet** been convicted of a crime.” How many of you are allowed such a luxury in your jobs? I bet not one of you.

Just think about how this looked to the rest of the world and the rest of people in New York when if you were a police officer, or a precinct commander, or the principal of a school, or a firefighter, and you had laid at your feet a 35-page detailed complaint, approved by a federal judge, brought by an office with a close to 100% conviction rate? Do you think that that person would or should maintain his leadership in any institution that values integrity? No, they would be on desk duty or the rubber room that very day.

It tells you something about the culture of an institution. And that something is not good.

Not only was there talk of keeping Sheldon Silver and Dean Skelos in their positions of leadership even after criminal charges, there was also a lot of dismissive talk and denigration of the prosecutors who brought the cases.

Many legislators spent more time in whispered whining about the prosecutors than acknowledging and solving the problem.

They said we did not understand politics, that we didn’t like politics. Which was nonsense.

It is not politics that public corruption prosecutors don't like, but corrupt politics – criminal politics.

And frankly, you know who else doesn't like it? The people who put the politicians in their jobs.

Quick final Teddy Roosevelt story:

The corrupt Tamany Hall lot did not care for the freshman reformer, Teddy Roosevelt. They also underestimated him as small and weak. And when they tried to intimidate Teddy Roosevelt, not just politically but PHYSICALLY, he fiercely stood up to the corrupt bully known as "Big John" McManus, exclaiming: "By God! McManus, I hear you are going to toss me in a blanket. By God! If you try anything like that, I'll kick you, I'll bite you, I'll kick you in the balls. I'll do anything to you – you'd better leave me alone." And they did.

We don't see so much of that lately. And it's a shame.

Cleaning up public corruption, preventing public corruption – is ultimately not up to the prosecutors.

We certainly have our role – to prosecute the wrongdoers and the bad apples. But we can't do it alone. It will take leadership – leadership from the legislature itself.

People crave leadership.

But looking the other way is not leadership.

Blaming the prosecutors is not leadership.

Kicking the can is not leadership.

Accepting lies and half-truths is not leadership.

Making excuses is not leadership.

Whining is not leadership.

Hopefully, for all of our sakes, we will see real leadership from our public institutions.

Because the institution that polices itself, that cares about policing itself, is the institution that gets – and deserves – respect.

That is the institution that garners trust.

That is the institution that attracts talent.

That is the institution that rallies public support.

That is the institution that gets things done for the people.

That is the institution that the people of New York deserve.

It is noble work to represent ordinary Americans. People should act like it more.

Thank you again for inviting me, and I welcome questions.